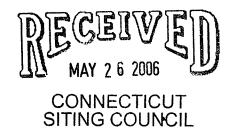
Bridgeport Energy LLC 10 Atlantic Street Bridgeport, CT 06604



May 26, 2006

S. Derek Phelps
Executive Director
State of Connecticut
Connecticut Siting Council
10 Franklin Square
New Britain, CT 06051



Re: Docket No F-2006 Connecticut Siting Council Review of the Ten-Year Forecast of Connecticut Electric Loads and Resources

Dear Mr. Phelps:

Pursuant to your letter dated April 24, 2006 the following is intended to respond to the enclosed questions in the April 24 letter.

- 1. BE annually conducts a summer capability test and a winter test in accordance with ISO-NE procedures in arriving at its seasonal claimed capability.
- 2. BE agrees with the April 2006 ISO-New England Seasonal Claimed Capability Report ratings of 446.47 MW (summer) and 525.71 MW (winter).
- 3. BE is a combined cycle facility. The facility can operate in simple cycle only for limited periods of time in emergency.
- 4. BE does not have black start capability.
- 5. BE believes the following about recent market trends and the relationship between the natural gas industry and electric generation
 - On 3/6/06 New England capacity market negotiations concluded with a Forward Capacity Market (FCM) settlement filed with the FERC. The FCM settlement aims to resolve a three-year debate over capacity market reform in New England, and with FERC approval, could lead to appropriate compensation for existing generators in New England and stimulate investment in new generation in the market.
 - The FCM settlement consists of a transition period from December 2006 to June 2010, followed by an auction-based period in which capacity market revenues would

be set three years in advance. The first auction would take place in early 2008 for the June 2010 period. The settling parties have requested FERC approval by 6/30/06.

• The information provided in the Connecticut Energy Advisory Board's February 2006 "Energy Plan for Connecticut", Part 3 "Connecticut Energy Profile" gives a detailed look at Connecticut's energy profile. It can be viewed here:

http://www.ctenergy.org/images/2006Plan.doc

- As noted by Richard Soultanian, Co-President of the NUS Consulting Group, "Simply stated, as world oil prices rise so do the natural gas markets followed by the electricity markets."
- 6. BE was not affected by any gas delivery issues in the winter of 2005-2006.

Please call me at (908)-420-3946 if we can provide any further information on this matter.

Sincerely,

Daniel Callaghan

cc

Lynne Mackey Robert Haley